GOVERNMENT OF INDIA
LABOUR
LOK SABHA

UNSTARRED QUESTION NO:71
ANSWERED ON:15.07.2002
PERMISSION TO EPFO FOR INVESTMENT IN GOVERNMENT SECURITIES
UMMAREDDY VENKATESWARLU

Will the Minister of LABOUR be pleased to state:

(a) whether the Employees Provident Fund Organisation (EPFO) has approached the Government to grant permission to allow its investment in Central and State Government Securities;

(b) if so, the reaction of the Government thereto;

(c) whether return on such investments are lower in comparison to private investments; and

(d) if so, the extent to which the returns affect the functioning of the EPFO?

Answer

MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI ASHOK PRADHAN)

(a) to (d): The funds with the EPFO are being invested in accordance with the investment guidelines issued by the Government and the investments are being made in the Central Government Securities/State Government Securities. As per the decision of the Central Board of Trustees (EPF), the investments are not being made in private Sector bounds/securities keeping in view the aspect of safety of the hard-earned savings of the workers.